Wealth Markets and Commerce

General Motors New Stock

Announcement was made yesterday that the board of directors of the General Motors Corporation has voted to offer 240,000 shares of the common stock for subscription by the common stockholders of record of January 15 next. The price is $118 a share and the stockholders will be allowed to subscribe to the extent of 20 per cent of their holdings. General Motors common stock closed on the exchange yesterday at 132¾.

According to the announcement the first instalment of 35 per cent on account of subscriptions is payable February 15, the second instalment of 35 per cent payable May 15 and the final instalment of 30 per cent payable on August 15. A circular is now in preparation outlining the details of the offering and will be sent to the stockholders shortly.

Edison's Son Manager Of Phonograph Company

ORANGE, N. J., Jan. 2.—Charles Edison, son of Mr. and Mrs. Thomas A. Edison, was to-day elected first vice-president and general manager of the Thomas A. Edison Company, Inc., and the Edison Phonograph Company, succeeding C. H. Wilson, who is retiring on account of ill health.

Mr. Wilson was vice-president and general manager for seven years. He had been with the Edison company since 1887. Charles Edison is chairman of the board of directors of the two companies. A dinner and reception was to-day tendered the retiring vice-president at the executive offices of the plant to-day.

Finance - Economics

WALL STREET OFFICE: Mills Building, 15 Broad St. Telephone Hanover 6514

Brooklyn Rapid Transit paid the last dividend on its common stock a year ago in December. It was then selling at 40. It sold as high as 48 after that. In the January preceding it sold as high as 82. For the most of last year it sold in the 30's, that is to say, at prices which steadily indicated the possibility of unfavorable developments. There seemed to have been no endeavor on the part of the so-called "insiders" to unload on the public. The facts were generally known, and although the receivership was not generally looked for, it was accepted as a conservative move.

The last annual report, issued about the first of September, gave no surface indication of disaster. Gross earnings were a little higher than in 1917, and though its net was 20 per cent less its book surplus still remained, after writing off $3,250,000, at $12,812,000, or $845,000 over the preceding year.

In point of fact the highly unfavorable developments in both B.R.T. and the Interborough and other tractions came rather swiftly. Both the B. R. T. and Interborough's earnings for the year ended last June were seemingly still good. The great scarcity of labor and the difficulties of operation did not become acute until late in the Spring, although it is well known that many of the subway contractors were in difficulties and had to be helped out. But the public at large seemed to persist in the idea that carpenters could be getting $10 a day at Yaphank, and riveters much more than that in the shipyards, and the cost of living generally rise 75 per cent or more, and the traction companies could go on hauling passengers for a 5-cent fare. Part of this belief was doubtless due to the large earnings of the subway. Dividends of 20 per cent on the subway stock did not tend to promote the idea that tractions were an unprofitable enterprise.

B. R. T. never had any high earnings, like the Interborough, to lose. Most of the rise in the stock when it got its contracts was due to the hope that if it got into the subway business, it might be similarly profitable.

The National City Bank, in its current circular, gives this opinion:

"The indications are that wages and prices are going to stay up, for a time at least, all over the world, which will do much to simplify the situation in every country. The general state of credit expansion over the world will sustain, and naturally cause, a higher level of prices than prevailed before the war, and there will not be the same pressure to lower wages and prices in this country that there would be if the level was falling in other countries."

Money and Credit

Offerings of call money were slightly larger in the local market yesterday. A small amount of money was placed at 5¾ per cent, although the ruling rates were 6 to 6½ per cent, unchanged from Tuesday.

Comparatively little business was transacted in the market for fixed date funds, where offerings continued light. Rates were steady.

Ruling rates for money yesterday, compared with a year ago, were as follows:

	Yesterday. Per cent.	Year ago. Per cent.
Call money:		
On mixed collateral	6	5
On industrial c'l't'l	6½	—
Time money (mixed collateral):		
Sixty days	5½@6	6
Ninety days	5½@6	6
Four months	5½@6	6
Five to six months	5½@6	6

Commercial Paper.—A fair amount of business is being done on a 5¾ per cent discount basis.

Bank Acceptances.—Temporarily the demand for bank acceptances has slackened. Rates were unchanged yesterday as follows:

Spot delivery:	Thirty days. Per cent.	Sixty days. Per cent.	Ninety days. Per cent.
Eligible member banks	4⅜@4	4⅜@4⅛	4⅜@4¼
Eligible non-member banks	4¼@4⅛	4⅜@4¼	4⅜@4⅜
Ineligible bank bills	5½@5	5½@5	5½@5

For delivery within 30 days:

	Per cent.
Eligible member banks	4⅜
Eligible non-member banks	4⅜
Ineligible bank bills	6

Discount Rates.—The following table gives the current rates of the twelve Federal Reserve banks on commercial paper for all periods up to ninety days:

	Maturities— Within 15 days, including member banks' collateral notes	16 to 60 days, inclusive	61 to 90 days, inclusive
Boston	4	4¾	4¾
New York	4	4¾	4¾
Philadelphia	4	4¾	4¾
Cleveland	4½	4¾	4¾
Richmond	4¾	5	5
Atlanta	4	4¾	4¾
Chicago	4	4¾	4¾
St. Louis	4	4¾	4¾
Minneapolis	4	4¾	5
Kansas City	4½	5¼	5¼
Dallas	4	4¾	5
San Francisco	4	5	5

The Federal Reserve Bank of New York has put in force the following schedule of rediscount rates which apply to bankers' acceptances: Maturities up to 15 days, 4 per cent; 16 to 60 days, inclusive, 4¼ per cent; 61 to 90 days, inclusive, 4½ per cent.

Bank Clearings.—Bank clearings yesterday were:

	Exchanges.	Balances.
New York	$1,121,194,729	$104,064,929
Baltimore	21,410,376	9,540,885
Boston	89,846,117	14,248,646
Chicago	120,575,488	9,332,407
Pittsburgh	34,646,497	15,119,452
St. Louis	41,522,278	13,877,261

Sub-Treasury. — The Sub-Treasury lost $73,000 to the banks on Tuesday.

Silver.—London, 48⅞d., unchanged; New York, 101⅛c, unchanged; Mexican dollars, 77⅝s, unchanged.

Bank of England.—LONDON, Jan. 2.—The weekly statement of the Bank of England showed an increase in gold holdings of £865,673. The proportion of reserves to liabilities now stands at 11.71 per cent, compared with 15.68 per cent last week. The statement, with the changes, compared with a week ago, follows:

Gold	£79,976,437	Inc.	£865,673
Reserve	28,336,000	Inc.	982,000
Notes r'v'd	27,615,000	Inc.	923,000
Circulation	70,189,000	Dec.	117,000
Public dep.	26,307,000	Inc.	2,663,000
Other dep.	214,893,000	Inc.	65,857,000
Gov. secur.	124,305,000	Inc.	53,198,000
Other sec.	106,473,000	Inc.	14,332,000

London Money Market.—LONDON, Jan. 2. Closing—Money was firm at 3 per cent. Discount rates were short and three months bills 3 17-32 per cent. Gold premiums at Lisbon were at 75.00

The Dollar in Foreign Exchange

Exchange rates moved narrowly in the local market yester on a comparatively small volume of business. The tone was generally firm.

Closing rates yesterday, compared with a week ago, follow:

(Quoted dollars to the pound.)	Yesterday.	Week ago.
Sterling, demand	4.7585	$5.7580
Sterling, sixty days	4.73⅛	4.73⅛
Sterling, cables	4.7655	4.7655
Sterling, ninety days	4.71¾	4.72
(Quoted units to the dollar.)		
Francs, checks	5.45⅜	5.45⅜
Francs, cables	5.44⅞	5.44⅞
Lires, checks	6.37	6.36½
Lires, cables	6.35	6.35
Swiss, checks	4.84½	4.78½
Swiss, cables	4.82	4.76½
(Quoted cents to the unit.)		
Guilders, checks	42⅝	42⅛
Guilders, cables	42⅞	43
*Rubles, checks	13.00	13.00
Spain, checks	20.08	20.05
Spain, cables	20.15	20.15
Sweden, checks	29.10	29.35
Sweden, cables	29.25	29.50
Denmark, checks	26.90	26.95
Denmark, cables	27.05	27.10
Norway, checks	28.10	28.10
Norway, cables	28.25	28.25
Argentina, checks	45¼	45⅛
Argentina, cables	45⅜	45¼
India, rupees, checks	35 3-5	35 3-5
India, rupees, cables	35¾	35¾
India, rupees, cables, Reserve Bank rate	35.73	35.73

*Nominal.

Below is given the current exchange value of foreign money in dollars and cents, together with the intrinsic gold parity, as calculated by the United States Mint:

	Current exchange value.	Intrinsic value.
Pounds, sterling	$4.75¾	$4.86⅝
Francs	0.18.4	0.19.3
Guilders	0.42⅜	0.40.2
Lire, checks	0.15.6	0.19.3
Crowns (Denmark)	0.26.75	0.26.8
Crowns (Sweden)	0.28.45	0.26.8

The above rates express the cost of foreign money in terms of the American dollar. You buy an English pound sterling, say, at $4.7585. The intrinsic parity is 4.86⅝ per pound. Thus you say either that pounds are at a discount or that dollars are at a premium, which is owing to the fact that in England the demand for dollars with which to settle accounts in this country is greater than the demand in this country for pounds with which to settle accounts in England.

Carranzista Agent Confers Here on Oil

Meets American Interests and Compromise May Be Effected

As a result of a series of conferences held in this city between representatives of leading American oil and mining interests, with properties in Mexico, and Alberto J. Pani, formerly Secretary of Industry and Commerce of the republic, it is believed that the Mexican government may be persuaded to modify legislation now pending before the Congress of that country which, if enacted, would confiscate millions of dollars' worth of foreign-owned concessions. Mr. Pani is understood to have acted as the personal representative of Carranza at the conferences. He sailed for France yesterday on the George Washington.

Details of the projected legislation were thoroughly gone over at the conferences, and Mr. Pani is said to have told the American representatives that their property investments in Mexico should be protected. He took the stand however, that the proposed legislation was fair and equitable, whereupon the American representatives proceeded to present their side of the case, showing up the points which they considered confiscatory.

In local oil trade circles it was intimated yesterday that as a result of the conferences a compromise may be effected, and it was said that possibly the Mexican government might back down completely.

The organization of American and foreign oil and mining interests into an association to protect their Mexican properties is proceeding smoothly. A tentative body has already been formed, although the details of the organization will probably not be perfected until Edward J. Doheny, head of the Mexican Petroleum Corporation, returns east from the coast.

Anaconda Borrows $25,000,000 for S. American Mines

Six Per Cent Ten-Year Secured Gold Bonds Offered at 98 1-4 — Ryan Foresees Copper Prosperity

An offering of $25,000,000 of ten-year secured 6 per cent gold bonds of the Anaconda Copper Company, the largest producer of the metal in the world, will be made this morning by a syndicate headed by the Guaranty Trust Company and the National City Company. Although the company has authorized an issue of $50,000,000, only half that amount, comprising series A, will be placed on the market to-day at 98¼, to yield 6¼ per cent.

"The proceeds of the Series A bonds are to be used," according to John D. Ryan, chairman of the Board of the Anaconda Company, "toward the equipment of the properties of the Andes Copper Mining Company and the Santiago Mining Company, and to replace in current account part of the earnings which have been heretofore invested."

Regarding the prospects of the copper trade, Mr. Ryan said: "It is difficult to predict the immediate prospects of the copper business, but there is no sound reason for pessimism in regard to it, after a few months of necessary adjustment from a war to peace basis have elapsed. The conduct of the business during the war was a notable industrial achievement and there can be no doubt that as soon as industry generally can readjust itself to the pursuits of peace, an era of great and lasting prosperity awaits the copper business."

In a letter to stockholders, Mr. Ryan further explained the purpose of the new bond issue, saying: "The company has expended, through its South American subsidaries, to September 30, 1918, the sum of $15,234,914. Development work on these properties is being pushed as expeditiously as possible.

"The Andes Copper Mining Company has completed its wharves and warehouses at Barquito, its Pasitis Port, has constructed an aggregate of fifty-eight miles of main line railroad, is working on the section of railway from mill site to mine, a distance of 5.5 miles; office buildings and houses for the accommodation of employees are being rapidly completed; a temporary power plant, transmission line from coast to mine, water supply line, etc., are under construction, and definite plans for permanent plant and equipment are now in course of preparation.

"It is estimated that in addition to the amounts which have been expended as above there will be required, in order to fully complete the equipment of these properties for an annual production of 140,000,000 pounds, an additional sum of approximately $30,000,000. The South American mines have not yet been fully explored, but sufficient ore has been developed to insure, upon a basis of a cost of 9 cents per pound fo copper, which is believed to be liberal, and a price of 15 cents a pound, which is conservative, aggregate net earnings in excess of $100,000,000 within a period of twelve years after reaching the output for which plant and equipment are now being designed. Production will, it is estimated, reach the above amount of 140,000,000 pounds per annum within three years after orders for equipment have been placed, which will be done as soon as shipping facilities have been assured. The minimum value of these properties may be indicated in terms of present worth, which it is calculated, after making provision for the complete amortization of all capital requirements, is as of January 1, 1919, in excess of $60,000,000 net, taking only developed ore into consideration."

Balance of Earnings

Mr. Ryan showed that from January 1, 1913, to September 30, 1918, the excess of earnings over dividends declared amounted to $82,373,480 and added that the fixed assets of the company show a gain of $59,109,457, not including expenditures on South American properties aggregating $15,234,914. He asserted further that under conditions of cost prevailing during the years 1911 to 1913, inclusive, and pre-war prices for metals the additions to plants and improvements in practice add approximately $8,000,000 a year to the net earnings of the company on copper business alone. Current assets have increased $11,500,000, he said, to a total on September 30 of $73,000,000, and liabilities to $11,500,000.

The decision to finance the South American development in this way was made for two reasons, the chairman of the board explained, thus:

"First—Because it was deemed more advisable to raise the necessary funds by a loan which can be largely repaid from the earnings of the South American properties, when equipped, than to add permanently to the capitalization of the company.

"Second—Because to continue to finance from earnings, the requirements mentioned, properly chargeable to capital account, would impose an undue blurden upon the present shareholders."

The syndicate managers announced that the new bonds constitute the only funded debt of the company and will not be subject to redemption prior to maturity and, moreover, that the Anaconda Company will not mortgage, pledge, or suffer any mortgage or other charge to be imposed upon any of its fixed assets without providing prior security for the bonds and for their payment in priority to all other obligations.

$40,000,000 Tel. & Tel. Notes To Be Refunded

Arrangements are being made by the American Telephone and Telegraph Company to refund $10,000,000 one-year 6 per cent notes that mature on February 1. This issue was floated a year ago by five subsidiary properties with their participation as folows:

Cumberland Telephone and Telegraph Company, $6,000,000; Iowa Telephone Company, $4,000,000; Nebraska Telephone, $5,000,000; Northwestern Telephone Exchange Company, $10,000,000; Southwestern Bell Telephone Company, $15,000,000. The notes were sold under the indorsement of the parent company by a syndicate of banks headed by J. P. Morgan & Co.

The proceeds of the issue were used to meet the maturity on February 1, 1918, of approximately $18,500,000 notes of subsidiary companies and also to provide funds for extraordinary outlays resulting from the war.

Significant Relations

Money and Prices:

Stock of money gold in the country	Now. $3,080,043,323		A year ago. $3,040,472,040
Loans of all national banks	Nov. 1, 1918. $10,097,000,000		Nearest period previous year. $9,535,527,000
Their surplus reserves	69,000,000		95,071,000
Bills discounted and bought by Federal Reserve Banks	Last week. $2,006,611,000		A year ago. $956,072,000
Federal Reserve notes in circulation	2,685,244,000		1,246,486,000
Total gold reserve	2,090,274,000		1,671,133,000
Average price of fifty stocks	Yesterday. 79.24	Previous close. 78.86	A year ago. 72.83
Average price of twenty-five bonds	87.78	88.07	84.70
Food cost of living (Annalist index number)	Last week. 289.844	The week before. 291.220	A year ago. 279.015
General commodity price level (Dun's index number)	Dec. 1. 230.375	Nov. 1. 230.529	Dec. 1, 1917. 220.172

Production:

Unfilled U. S. Steel orders, tons	Nov. 30. 8,124,663	Oct. 31. 8,353,293	A year ago. 8,897,106
Pig iron (daily average), tons	November. 111,802	October. 112,482	A year ago. 106,859
Wheat crop, bushels	1918 yield, estimated 917,449,000		The 1917 crop. 636,655,000
Oat crop, bushels	1,538,359,000		1,592,740,000
Corn crop, bushels	2,582,814,000		3,065,233,000
Cotton, bales	11,700,000		11,302,375

Distribution:

	Increase or decrease from year before. 7 roads. Second week in December.	Month of September.	179 roads. Jan. 1 to Sept. 30.
Gross railroad earnings	—18.5%	+36.0%	+19.5%
Bank clearings	Last week. +29.9%	Week before. +14.8%	Year to date. +8.3%

General:

Active cotton spindles	November 30. 33,121,507	October 31. 32,760,623	A year ago. 33,613,218
Commercial failures (Dun's):			
Number	November 570	October. 660	A year ago. 981
Liabilities	$13,815,166	$13,980,306	$13,635,605
Building permits (Bradstreet's): (156 cities)	November, 1918. $18,713,411		November, 1917. $44,928,324

Relevant Comment

American Can Recovers

American Can common made a strong recovery after an early display of weakness yesterday. It touched 46⅞ right at the opening, but subsequently developed pronounced strength on vigorous buying, rising in the afternoon to 49 and closing ½ up at 48¼. The movement in the stock was interesting in view of the announcement by the company of a new schedule of prices for packers' cans, effective immediately. The new prices are 2½ to 6 per cent under the prices established last July.

Bond Tickers Operating

The Stock Exchange yesterday began recording transactions in bonds on separate tickers. Hitherto, bond sales and quotations have been mixed in with the transactions in stocks so that on active trading days the reports of sales have not been printed until several minutes after they had taken place on the floor of the exchange. The Stock Exchange authorities have long been working on a plan for establishing a separate ticker service for bonds in the belief that in the coming years foreign securities will be sold here in large volume and will have a ready market. The bond tickers are operated by the Stock Exchange's own company, the New York Quotation Company.

December Financing Heavy

Corporate financing in December was continually large and covered some very important items. According to Dow, Jones & Co., the total amount of railroad, industrial and public utility issues was $195,807,400, compared with $106,469,175 in November and $95,200,400 in December, 1917. The principal offerings last month were the $50,000,000 general mortgage 5 per cent bonds of the Pennsylvania Railroad; $10,500,000 general mortgage 5 per cent bonds of the Chicago & North Western, and the $8,000,000 five-year 5½ per cent notes of the St. Paul Union Depot Company.

Big Day for Oils

It was a big day for the oil stocks. In an otherwise dull market this group displayed sensational strength, with Mexican Petroleum leading the way with an advance of 10¼ points net. After selling at ... day, this issue took on great strength and rose to 189½. Dealings approximated 55,000 shares. Texas Company rose 3¼ points, and Texas Pacific, on whose property oil is said to have been discovered, jumped 33¾ points. Pan-American Petroleum common was another strong feature of the group, advancing 2¾ points net, while the preferred climed 6.

Corporate Returns

Sears, Roebuck & Company.—Sales for December amounted to $22,364,842, compared with $18,864,372 for the corresponding month of last year, an increase of $3,500,470. Sales for the twelve months were $198,523,074, an increase of $20,254,851.

Northern Ohio Traction & Light Company

12 months gross	$7,092,669	Inc.	$757,086
Gross income	2,383,921	Inc.	10,151
Balance	671,679	Dec.	220,713

Hudson & Manhattan Railroad Company

October gross	$632,686	Dec.	$5,805
Net income	198,517	Dec.	64,715
10 months gross	5,453,482	Inc.	393,805
Net income	2,494,239	Dec.	175,951

Federal Light & Traction

September gross	$295,640	Inc.	$49,233
Net income	19,206	Inc.	11,683
12 months gross	3,407,747	Inc.	729,730
Balance	280,509	Inc.	129,657

Interborough Rapid Transit

November gross	$3,435,697	Dec.	$19,000
Surp. after chgs.	239,322	Dec.	445,21[illegible]
5 months gross	16,170,935	Inc.	242,8[illegible]
Surp. after chgs.	439,953	Dec.	2,325,8[illegible]

Dayton Power & Light Company

	1918.	1917.
November gross	$260,472	$187,665
Surplus	34,170	24,513
11 months gross	2,162,929	1,673,944
Surplus	75,177	115,421

Aurora, Elgin & Chicago Railroad Company

	1918.	1917.
October gross	$173,235	$181,129
Balance deficit	40,933	*3,572
10 months gross	1,775,304	1,819,933
Deficit	185,593	*95,618

*Surplus.

Texas & Pacific Railroad Company

November gross	$2,502,899	Inc.	$429,063
Net oper. inc.	295,057	Dec.	263,120
11 months gross	24,240,738	Inc.	3,969,502
Net oper. inc.	3,424,355	Dec.	1,491,302

Buffalo & Susquehanna Railroad Company

November gross	$176,853	Inc.	$3,836
Net oper. deficit	77,124	Inc.	143,831
11 months gross	2,059,793	Inc.	429,875
Net operat. inc.	166,262	Dec.	550,938

Minneapolis & St. Louis Railroad Company

November gross	$1,008,893	Inc.	$67,232
Net oper. deficit	27,957	Inc.	203,727
11 months gross	10,960,675	Inc.	989,309
Net oper. inc.	282,861	Dec.	1,834,153

New Orleans, Texas & Mexico Railroad

November gross	$148,030	Dec.	$23,720
Net oper. inc.	2,855	Dec.	74,644
11 months gross	1,787,889	Inc.	456,710
Net oper. inc.	478,736	Dec.	92,199

Toledo & Ohio Central Railroad Company

November gross	$730,464	Dec.	$39,486
Net oper. deficit	85,523	Inc.	162,208
11 months gross	9,050,777	Inc.	1,545,794
Net oper. inc.	530,793	Dec.	969,033

News Digest

New York

Bank of Commerce Increases Surplus Account.—The directors of the National ... transfer $5,000,000 from undivided profits to surplus, thereby increasing the surplus account to $20,000,000. A year ago the surplus was increased

DIVIDEND NOTICES

THE PIERCE-ARROW MOTOR CAR CO.

A quarterly dividend of $1.25 per share has been declared on the common stock of this Company, payable February 1, 1919, to stockholders of record January 15, 1919.
WALTER C. WRYE, Treasurer.

UNITED STATES RUBBER CO.

1790 Broadway, New York, January 2, 1919.
The Board of Directors of the United States Rubber Company has this day declared from its net profits a quarterly dividend of Two per cent. (2%) on the First Preferred Stock of the Company to Stockholders of record at 3 P. M. on Wednesday, January 15th, 1919, payable without closing of the Transfer Books, January 28th, 1919.
W. G. PARSONS, Treasurer.

REALTY ASSOCIATES,
162 REMSEN ST., BROOKLYN, N. Y.
Dividend No. 32.
The Board of Directors has this day declared the regular semi-annual dividend of 3% on the capital stock of the Company, payable Jan. 15, 1919, out of the earnings for the fiscal year to stockholders of record at the close of business, 3 P. M., Monday, Jan. 6, 1919.
AUGUSTUS HARPER, Treas.
Jan. 2, 1919.